

does not come. The primary victims of this system are the millions of children facing lives of poverty.

Further complicating the present collection system is the rising number of parents who relocate to another State after their separation or divorce. Currently, almost one-third of child support cases involve parents who have moved to another State. The bottom line is that American children are being shortchanged by parents who fail to pay the support their children need. Our bill is a comprehensive measure which sends a clear message to deadbeat parents—wherever you are, you will no longer be able to renege on the financial responsibilities owed to your child.

The Child Support Responsibility Act will tighten the child support enforcement program and close loopholes through which noncustodial parents are able to shirk their financial duty to their children.

The central component of the Child Support Responsibility Act of 1995 is the creation of a national databank that expands the Federal Parent Locator Service and establishes a Federal Child Support Registry. This new system will allow States to access the records in other State agencies and will allow for W-4 reporting of child support obligations so that we can get to the problem of parents who cross State lines to avoid paying child support. We do not want noncustodial parents playing economic hide-and-seek from their kids.

Last session, the House passed four provisions of the Child Support Responsibility Act.

We passed a bill that would significantly strengthen the Federal Government's child support enforcement mechanisms and, for the first time, individuals would have been prohibited from receiving Federal benefits or become employed by the Federal Government if their child support obligations are 3 months in arrears and they refuse to enter into a payment plan for the arrearage.

We passed a bill that would restrict the passports of individuals with child support arrears exceeding \$10,000. The Interstate Commission found that collecting child support payments internationally is extremely difficult. This provision would require noncustodial parents to pay up before they fly out.

We passed a bill that improved the collection of child support payments owed by military personnel.

And finally, we passed, and it became law, a bill that was incorporated into last year's bankruptcy reform law, that designated child-support payments as priority debts when an individual files for bankruptcy, making it more difficult to escape these obligations.

These provisions, except for the ones signed into law, are in the new bill we will be introducing. Highlights of the new bill include:

Establishes a Federal Child Support Registry for all child support orders issued or modified by any State court. The Federal registry is required to compare information on all W-4 forms with information in child support orders and notify State registries of child support obligations of employees.

Expands the Parent Locator Service to provide for a national network which allows the States to access the records in other State agencies and Federal sources to locate information directly from one computer to another.

Establishes State central registries for all child support orders issued or modified and the collection of obligations.

Requires reconciliation of child support obligations and payments on income tax returns.

Establishes a National Child Support Guidelines Commission to study the desirability of a national guideline for child support orders.

Enhances paternity establishment procedures—requires State agencies responsible for maintaining birth records to offer voluntary paternity establishment services; creates a national paternity acknowledgement affidavit for the use of voluntary acknowledgement of paternity; and establishes that a signed paternity acknowledgement affidavit is conclusively presumed to prove paternity by creating a legal finding that has the effect of a final judgement at law.

Mandates direct wage withholding of child support obligations by employers when child support orders are issued or modified by State courts.

Creates a uniform child support order to be used in all cases in which income is to be withheld for the payment of child support.

Requires States to adopt the Uniform Interstate Family Support Act [UIFSA].

Restricts professional, occupational, and business licenses of noncustodial parents who have failed to pay child support.

Restricts driver's licenses and vehicle registration of noncustodial parents who fail to appear in child support proceedings.

Requires reporting of delinquent child support payments to credit bureaus.

AGAINST THE MEXICAN BAILOUT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Kentucky [Mr. BUNNING] is recognized during morning business for 5 minutes.

Mr. BUNNING of Kentucky. Mr. Speaker, the President has proposed that the United States cosign a loan for Mexico to the tune of \$40 billion. But is the Government of Mexico a good risk?

The Wall Street Journal pointed out in its editorial on January 23, the problem in Mexico is bad economic policy. The Mexican Government borrowed too much and now it is suffering because it cannot meet its payments.

That inability to pay has caused a crisis of confidence in the Mexican peso which plunged in value. This, of course, had led to a wave of handwringing by the usual handwringers here in Washington, most of whom were pushing us to support NAFTA just a short time ago.

Apparently, the Mexican Government has not yet learned that free financial markets do not reward over-consumption in the form of borrowing in excess of the country's ability to pay.

Unfortunately, Mr. Clinton and his economic advisers have not learned that lesson either.

We went down this sorry road in the early 1980's when we bailed out the big banks that were too big to fail but which had greedily overextended credit to Mexico and other developing countries.

The Clinton administration would have us believe that if we simply pony

up the loan guarantee, the Mexican Government will reform its policy of borrowing short term to pay for current consumption.

It is quite a leap of faith that Mr. Clinton is asking us to make. And, the leap looks even longer when you know that the Mexican Government does not even acknowledge that it has made a mistake.

The Wall Street Journal, again in its January 23 editorial, quoted the Mexican Foreign Minister as saying that the markets should not be taken too seriously because they are nothing more than "15 guys in tennis shoes in their 20's."

That is hardly the type of attitude that inspires my confidence to guarantee an American bailout for Mexico.

It does not seem to this Kentuckian that the working people of the United States should be cosigning a note to save those who made bad investment decisions. The big banks that made those bad decisions and those pension funds that made those bad decisions should bear the losses for their poor judgement, not the taxpayers.

A loan from the Federal Government is great—if you can get it. I am certain that Orange County, CA, could use our help. I am sure that the local governments in eastern Kentucky could do with a little help too.

We need to concentrate on helping our fellow Americans first. If we want to guarantee loans, we do not need to look beyond the city limits of Washington because our National Capital is in financial trouble.

Before we obligate ourselves to a potential \$40 billion bailout of Mexico, we must have collateral from them to secure the loan. If the collateral does not cover the full cost of the loan, we should not cosign.

My guess is that short of military intervention Mexico will be no more willing to surrender the collateral today than when they would not pay American investors after nationalizing the oil industry.

As William Seidman pointed out in his companion article to the Wall Street Journal editorial, "Insuring a debtor who has a real problem is not likely to be cost free."

We cannot control the policies of the Mexican Government now anymore than we could in the 1980's; and, those are the policies which must change to restore confidence in the peso.

The potential cost of the guarantee is \$40 billion regardless of who is ultimately in charge of Mexico's Government. And, I, for one, do not think that it is wise for the United States to underwrite bad decisions by Mexico and big international banks.

We should step back and let Mexico settle its problems the old-fashioned, American way: Let the debtor and creditors settle the problem between themselves, without the United States taxpayers taking a \$40 billion hit.